



Corporate Social Responsibility Depending on the Size of Business Entity

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As follows from discussions at the European Commission and the European Parliament, European policy-makers need better understanding the motivation of company for corporate social responsibility (CSR) as a function of their size. For this purpose we decided to investigate this contribution which are the reasons for and against CSR most frequently mentioned and how those reasons and planning of CSR activities are related to the size of business entity.

In our study, we focused on companies in the Southeast Slovenia, which is the biggest and medium-developed region in Slovenia. In 2011 in this region among 191 companies, were 120 small, 40 medium and 31 large. To determine the sample size, we used the Cochran's formula of simple random sampling, and chose 120 companies. We sent a survey questionnaire, which is fully replied by 74 companies. The questionnaire was consisted of high structured questions, which means that the answers are predetermined. The reasons were collected from a variety of previously published research. Each company in the survey had to choose two reasons from all offered.

By univariate analysis of data (frequency distribution), we found that the three main reasons against CSR was lack of financial resources (58% companies), lack of adequate staff (39%) and lack of time (35%). Among the main reasons for CSR, most companies decided for increasing the company's reputation (55%), customer loyalty (24%) and observance of the law (22%).

Furthermore, we investigated whether: ad (1) there is a correlation between the size of the company and the main reasons for CSR, ad (2) there is a correlation between the size of the company and the main reasons against CSR, and ad (3) there is a connection between the drawing up a plans of CSR and size of companies. All three hypothesis were tested using contingency tables (crosstabs) method and the chi-square test.

First, we found that, there is a statistically significant connection among the variables (the value of the chi-square is 16.069, $p = 0.041$, significance is less than 5%), so the main reasons for CSR are dependent on the size of the company. Small entities are under increasing influence of reasons against the introduction of CSR, while larger companies the reasons against generally do not indicate or indicate to a lesser extent. On the other hand, the main reasons for CSR are not dependent on the size of the company (chi-square value is 4.614, $p = 0.798$, significance is greater than 5%). Companies irrespective of their size indicate approximately the same reasons for CSR. Analysis showed that planning of CSR depends on the size of the business entity. Smaller companies mostly does not prepared plans of CSR practices.

In the future, we recommend the systematic introduction of CSR in companies of all sizes. For small firms we also call for stronger attention to the benefits of socially responsible entrepreneurship. In addition, we plain the extension of the research to other Slovenian regions.

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